

first home or a home that is low enough in mortgage size to be insured by the FHA. This is something we want to do to speed access to the American Dream for low- to moderate-income families.

I thank Mr. SHERMAN for his work, and I encourage all of my friends on both sides of the aisle to support H.R. 3008, and I yield back the balance of my time.

Mr. CLEAVER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I again want to thank the gentleman from California (Mr. SHERMAN) for bringing this legislation forward and for the support of the gentleman from Texas (Mr. TAYLOR).

This bill removes unnecessary barriers to the home-buying process, which will help millions of FHA borrowers over time.

Mr. Speaker, I urge my colleagues to join me in supporting this important legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. CLEAVER) that the House suspend the rules and pass the bill, H.R. 3008.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. NORMAN. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

INSIDER TRADING PROHIBITION ACT

Mr. CLEAVER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2655) to amend the Securities Exchange Act of 1934 to prohibit certain securities trading and related communications by those who possess material, nonpublic information, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Insider Trading Prohibition Act”.

SEC. 2. PROHIBITION ON INSIDER TRADING.

(a) IN GENERAL.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 16 the following new section:

“SEC. 16A. PROHIBITION ON INSIDER TRADING.

“(a) PROHIBITION AGAINST TRADING SECURITIES WHILE AWARE OF MATERIAL, NON-PUBLIC INFORMATION.—It shall be unlawful for any person, directly or indirectly, to purchase, sell, or enter into, or cause the purchase or sale of or entry into, any security, security-based swap, or security-based swap agreement, while aware of material, non-public information relating to such security,

security-based swap, or security-based swap agreement, or any nonpublic information, from whatever source, that has, or would reasonably be expected to have, a material effect on the market price of any such security, security-based swap, or security-based swap agreement, if such person knows, or recklessly disregards, that such information has been obtained wrongfully, or that such purchase or sale would constitute a wrongful use of such information.

“(b) PROHIBITION AGAINST THE WRONGFUL COMMUNICATION OF CERTAIN MATERIAL, NON-PUBLIC INFORMATION.—It shall be unlawful for any person whose own purchase or sale of a security, security-based swap, or entry into a security-based swap agreement would violate subsection (a), wrongfully to communicate material, nonpublic information relating to such security, security-based swap, or security-based swap agreement, or any nonpublic information, from whatever source, that has, or would reasonably be expected to have, a material effect on the market price of any such security, security-based swap, or security-based swap agreement, to any other person if—

“(1) the other person—

“(A) purchases, sells, or causes the purchase or sale of, any security or security-based swap or enters into or causes the entry into any security-based swap agreement, to which such communication relates; or

“(B) communicates the information to another person who makes or causes such a purchase, sale, or entry while aware of such information; and

“(2) such a purchase, sale, or entry while aware of such information is reasonably foreseeable.

“(c) STANDARD AND KNOWLEDGE REQUIREMENT.—

“(1) STANDARD.—For purposes of this section, trading while aware of material, nonpublic information under subsection (a) or communicating material nonpublic information under subsection (b) is wrongful only if the information has been obtained by, or its communication or use would constitute, directly or indirectly—

“(A) theft, bribery, misrepresentation, or espionage (through electronic or other means);

“(B) a violation of any Federal law protecting computer data or the intellectual property or privacy of computer users;

“(C) conversion, misappropriation, or other unauthorized and deceptive taking of such information; or

“(D) a breach of any fiduciary duty, a breach of a confidentiality agreement, a breach of contract, a breach of any code of conduct or ethics policy, or a breach of any other personal or other relationship of trust and confidence for a direct or indirect personal benefit (including pecuniary gain, reputational benefit, or a gift of confidential information to a trading relative or friend).

“(2) KNOWLEDGE REQUIREMENT.—It shall not be necessary that the person trading while aware of such information (as proscribed by subsection (a)), or making the communication (as proscribed by subsection (b)), knows the specific means by which the information was obtained or communicated, or whether any personal benefit was paid or promised by or to any person in the chain of communication, so long as the person trading while aware of such information or making the communication, as the case may be, was aware, consciously avoided being aware, or recklessly disregarded that such information was wrongfully obtained, improperly used, or wrongfully communicated.

“(d) DERIVATIVE LIABILITY.—Except as provided in section 20(a), no person shall be liable under this section solely by reason of the fact that such person controls or em-

plays a person who has violated this section, if such controlling person or employer did not participate in, or directly or indirectly induce the acts constituting a violation of this section.

“(e) AFFIRMATIVE DEFENSES.—

“(1) IN GENERAL.—The Commission may, by rule or by order, exempt any person, security, or transaction, or any class of persons, securities, or transactions, from any or all of the provisions of this section, upon such terms and conditions as it considers necessary or appropriate in furtherance of the purposes of this title.

“(2) DIRECTED TRADING.—The prohibitions of this section shall not apply to any person who acts at the specific direction of, and solely for the account of another person whose own securities trading, or communications of material, nonpublic information, would be lawful under this section.

“(3) RULE 10b-5-1 COMPLIANT TRANSACTIONS.—The prohibitions of this section shall not apply to any transaction that satisfies the requirements of Rule 10b-5-1 (17 CFR 240.10b5-1), or any successor regulation.”.

(b) COMMISSION REVIEW OF RULE 10b-5-1.—Not later than 180 days after the date of the enactment of this Act, the Securities and Exchange Commission shall review Rule 10b-5-1 (17 CFR 240.10b5-1) and make any modifications the Securities and Exchange Commission determines necessary or appropriate because of the amendment to the Securities Exchange Act of 1934 made by this Act.

(c) CONFORMING AMENDMENTS.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is further amended—

(1) in section 21(d)(2), by inserting “, section 16A of this title” after “section 10(b) of this title,”;

(2) in section 21A—

(A) in subsection (g)(1), by inserting “and section 16A,” after “thereunder,”; and

(B) in subsection (h)(1), by inserting “and section 16A,” after “thereunder,”; and

(3) in section 21C(f), by inserting “or section 16A,” after “section 10(b)”.

SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. CLEAVER) and the gentleman from Arkansas (Mr. HILL) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

GENERAL LEAVE

Mr. CLEAVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert any extraneous materials thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLEAVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2655, the Insider Trading Prohibition Act, which was introduced by my colleague, Mr. HIMES.

This long-overdue bill creates a clear definition of illegal insider trading under the securities laws so that there is a codified, consistent standard for courts and market participants. This bill will help to better protect the hard-earned savings of millions of Americans and bring legal and regulatory certainty to U.S. securities markets.

For nearly 80 years, the Securities and Exchange Commission has sought to hold corporate insiders accountable for insider trading through general statutory antifraud provisions and rules it has promulgated under those provisions. This has resulted in a web of court decisions that generally prohibit insiders with a duty of trust and confidence to a corporation from secretly trading on material, nonpublic corporate information for their own personal gain.

These insiders are also generally prohibited from tipping outsiders, known as tippees, who then trade on the information themselves, even though they knew it was wrongly obtained. But because there isn't a statutory definition of insider trading, there is uncertainty around who is subject to insider trading prohibitions.

Further, with various court decisions, liability for this type of violation has shifted. For example, in 2014, an appeals court added a brand-new requirement that the tippee must not just know that information was wrongfully disclosed but must also know about the specific personal benefit that the insider received. This decision has severely hampered the SEC's ability to prosecute insider trading cases.

According to Preet Bharara, the former U.S. attorney for the Southern District of New York, this decision "provides a virtual roadmap for savvy hedge-fund managers to insulate themselves from tippee liability by knowingly placing themselves at the end of a chain of insider information and avoiding learning details about the sources of obvious confidential and improperly disclosed information."

I am pleased that this bill codifies existing case law and overturns this new controversial requirement, creating a clear, consistent standard for the SEC, the courts, and market participants to follow.

Last Congress, the House of Representatives passed this commonsense bipartisan bill with an overwhelmingly bipartisan vote of 410-13.

Mr. Speaker, I urge my colleagues to once again support this important bill, and I reserve the balance of my time.

Mr. HILL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, stopping and punishing bad actors for illegal insider trading is a top priority for House Republicans. This illegal activity hurts everyday Main Street investors as well as the integrity and efficiency of our markets. Trading on material insider information in breach of fiduciary duty is currently prohibited by court-made law

under the antifraud provisions of the Federal securities laws.

The Securities and Exchange Commission, the SEC, and the Department of Justice have the power to bring insider trading cases, and both agencies regularly exercise this power.

One body of insider trading law that has been developed is through the courts. Decades of judicial precedent are in place to protect investors and markets by punishing bad actors who illegally trade on insider information.

Codifying nuanced case law and regulations that have been developed over the decades into a single statute prohibiting insider trading is a serious undertaking, and the gentleman from Connecticut (Mr. HIMES) has tackled this challenging task.

To be explicitly clear, this legislation's intent is to codify, and neither expand nor contract, insider trading law as it is currently understood and interpreted by the Federal courts.

Again, there should not be a single cause of action available under this law that would not otherwise be available to Federal prosecutors or SEC enforcement attorneys under the already existing securities laws. I underscore this point because both Republican and Democratic SEC Commissioners have expressed concerns about Congress drafting a statute that accurately captures this expansive body of law without expanding it.

I agree with them. I think it would be tough to draft a perfect insider trading law. But with that said, I appreciate the gentleman from Connecticut's intentions not to expand the scope of current insider trading enforcement and his willingness to work with us in a bipartisan manner last Congress and again in this Congress.

Specifically, Ranking Member PATRICK MCHENRY's amendment last Congress, included in the base text of this year's provision, provides the needed changes to align the explicit personal benefit test more closely with Supreme Court precedent. It also clarifies ambiguous wording to ensure that judges and prosecutors know that this bill is not intended to expand or create new insider trading liability.

Republicans will continue to speak out and support efforts to combat illegal insider trading. We look forward to working with our colleagues on the House Financial Services Committee and in the Senate, and I reserve the balance of my time.

Mr. CLEAVER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. HIMES), who is also a sponsor of this legislation.

Mr. HIMES. Mr. Speaker, I thank Mr. EMANUEL CLEAVER for yielding, and I thank my subcommittee ranking member, Mr. HILL, for a very good characterization of the project we are undertaking here.

I will emphasize two things.

Number one, at a moment when we are working hard to find ways to work in a bipartisan fashion in the public in-

terest, this is landmark legislation. As Mr. HILL pointed out, we passed it in the last Congress with a vote of 410-13, and that was the result of a very comprehensive and fairly technical negotiation around the fine points of insider trading.

The second thing I would point out is that everyone in this Chamber should agree that law is to be made in this Chamber, not in the chambers of unelected judges throughout the land. While Mr. HILL is correct that there has been a vast body of court-made law around insider trading developed over the generations, that is far from ideal and, frankly, an abrogation of the legislative responsibilities of the United States Congress. So, we are where we are.

We have attempted to make clear and clear up a great deal of the uncertainty, the reversed convictions, the activities in the Second Circuit that have overturned convictions and created uncertainty in the law. This is an effort to make clear what I think everyone understands, which is that if you trade on information that you know to have been wrongly obtained or that you wrongly obtained or that you recklessly disregard was wrongly obtained, you are doing something wrong. In this case, with the passage of this legislation, it will be clear that you have violated the law.

I am excited for the passage of this legislation because I am a believer that it is, in fact, the elected legislators of this country and not the judges, as important as their role may be, who should determine what we consider wrong in statute and what we punish people for doing.

Finally, of course, it is essential that everyone out there have confidence in our markets. Every time there is another headline about an insider trader or a reversed conviction of insider trading, that confidence is damaged. So, I applaud the bringing of this bill to the floor.

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Mr. HILL. Mr. Speaker, I thank my friend from Connecticut for his vigorous defense, always welcome on the House floor, of Article I power here in the Congress. Both sides of the aisle are grateful for that, as we defend it on a regular basis. We thank him for his work.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. HUIZENGA), the ranking member of the Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets of the House Financial Services Committee to speak on the topic of this bill.

Mr. HUIZENGA. Mr. Speaker, I rise with my friend and colleague from Arkansas to acknowledge the work that has been put in by our colleague from Connecticut. This has been a long discussion that we have had various points where we have debated, and this is a positive thing.

Mr. Speaker, as you know, preventing fraud and abuse within our financial system and cracking down on bad actors for illegal insider trading is a nonpartisan priority. We all believe that this is a good thing. In fact, this kind of fraud and illegal activity hurts everyday Main Street investors. It also makes our capital markets less efficient, accurate, and fair to all investors.

Now, current law prohibits trading on material insider information in breach of a fiduciary duty under the antifraud provisions of the Federal securities laws. Let me just repeat that. Current law prohibits those activities.

The Securities and Exchange Commission and the Department of Justice are the Federal agencies tasked with enforcing insider trading laws. Both agencies regularly use their authority to bring insider trading cases against these bad actors who violate our insider trading laws.

However, the bill we are discussing here today, H.R. 2655, is flawed and could potentially create even more confusion and uncertainty within the law of insider trading. It could expand liability for good-faith traders, which would weaken investor confidence, chill vital information-gathering, and hurt the efficiency of our markets.

I believe it is important to note that, once again, the SEC is not asking for this bill or, frankly, any other legislative help on this issue. That is, the cop on the beat is not saying we need additional tools. Moreover, Democrats have not identified a problem within the current body of law that inhibits the prosecution of bad actors who illegally trade on material, nonpublic information. Again, the regulators have the tools that they need.

Republican and Democrat SEC chairs alike, with vastly different approaches to enforcement matters, have expressed concerns over Congress codifying a prohibition on insider trading into one single statute, as we are doing. Specifically, they voiced concerns that Congress would write a law that would be both overly broad, yet too narrow. Now, that is an odd phrase.

Former SEC Chair Mary Jo White, during 2015 testimony—by the way, she was President Obama's SEC chair—before our Financial Services Committee, when asked whether or not Congress should pursue an explicit statutory prohibition, stated: "I think it is challenging to codify it clearly in a way that is both not too broad and retains the strength of the common law."

Additionally, former SEC Chair Jay Clayton voiced similar concerns that Congress could write an insider trading law that is both too broad and too narrow.

I want to commend the gentleman from Connecticut for his dedicated work over the years on this issue, and I appreciate his efforts to try and codify a specific insider trading prohibition.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HILL. Mr. Speaker, I yield an additional 1 minute to the gentleman from Michigan.

Mr. HUIZENGA. However, codifying very nuanced case law and regulations that have been developed over decades to prohibit insider trading is a significant task and undertaking. We all know that case law does oftentimes dictate the nuances. I fear that this bill could add more confusion and uncertainty around insider trading law with rogue judges and prosecutors using the language to expand the bounds of insider trading laws.

It was mentioned that this bill passed this body 410-13, and I was one of the 13.

We have to ask ourselves: Why was the bill ignored by the Senate?

There isn't a compelling problem to solve is why it was ignored. This is a solution in search of a problem.

I believe H.R. 2655, the Insider Trading Prohibition Act, which we are debating today, is both too broad and too narrow, just as former SEC Chair White warned was possible, and I continue to be opposed to the legislation.

Mr. CLEAVER. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut (Mr. HIMES).

Mr. HIMES. Mr. Speaker, I must say, as much respect as I have for Mr. HUIZENGA—I have been around here a little while—I think this may be the first time I have heard from my colleagues on the other side of the aisle that the regulators deserve deference on this, that the regulators are not asking us to make a statutory change. I have never heard that in this Chamber—this Chamber—which, under Article I of the Constitution, is charged with writing the laws of this country.

Apparently, my Republican friends, who don't typically defer to regulators, are now saying the SEC is, at best, neutral on this law.

Is there damage?

I would urge anybody who wants to know about that to read the activities of the Second Circuit Court of Appeals in the overturning of conviction after conviction of hedge fund managers and others around points of technical complexity.

We make the laws. We don't ask the regulators whether they would like us to, or whether they would cheer us on in making laws. We make the laws. If we are going to send people to jail, if we are going to stop the confusion of judge-made law, let's do our job and pass this legislation.

Mr. HILL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. HUIZENGA).

Mr. HUIZENGA. Mr. Speaker, let me throw out one name—I guess it is actually, technically, two names: Dodd-Frank.

My friends on the other side wrote a massively expansive bill that did turn over all of that authority to come up and promulgate rules out of whole cloth.

What we are talking about here is a very key word: materiality.

We are having this exact debate about the environmental, social, and governance issues, the ESG of the Securities and Exchange Commission, and the boundaries of those rules. This is the balance between making sure that the legislature and our constitutional powers do not contradict the powers that are given to those regulators.

Yet, at the same time, we need to make sure that the regulators, based on case law, based on experience and the flexibility that they may need to go and do a law enforcement action, that they have those tools and that they are not pulled back from them.

If the gentleman's sort of example was to hold true, then we would have to eliminate all corporate law and every single publicly traded company that incorporates in Delaware. Delaware's entire corporate structure is based on case law and what has gone on. It is widely accepted throughout the United States that it is solid and positive, and that is what we are trying to do here today.

We are not trying to hand over more power to the bureaucrats. We are trying to make sure that the system that is in place, that everybody understands the rules of the road, that they then are going to be used to be enforced.

Mr. CLEAVER. Mr. Speaker, I have no further speakers, I am prepared to close, and I reserve the balance of my time.

Mr. HILL. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I think this is a good debate. Again, I thank my friend from Michigan and my friend from Connecticut for the quality of that debate.

Mr. Speaker, I urge my colleagues to support H.R. 2655, and I yield back the balance of my time.

Mr. CLEAVER. Mr. Speaker, I yield myself the balance of my time.

H.R. 2655, the Insider Trading Prohibition Act, is a long overdue piece of legislation that simply spells out the definition of illegal insider trading under the security laws. It creates clarity for participants in financial markets, and empowers the SEC to punish bad actors.

This bill is supported by groups, including the Council of Institutional Investors, the California State Teachers' Retirement System, the North American Securities Administrators Association, and Public Citizen.

Mr. Speaker, I urge all Members to vote "yes" on this important bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. CLEAVER) that the House suspend the rules and pass the bill, H.R. 2655, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. HUIZENGA. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

COVID-19 FRAUD PREVENTION ACT

Mr. CLEAVER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2959) to establish the Consumer and Investor Fraud Working Group to help protect consumers and investors from fraud during the COVID-19 pandemic, to assist consumers and investors affected by such fraud, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2959

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “COVID-19 Fraud Prevention Act”.

SEC. 2. CONSUMER AND INVESTOR FRAUD WORKING GROUP.

(a) **ESTABLISHMENT.**—Not later than the end of the 30-day period beginning on the date of enactment of this Act, the Director of the Bureau of Consumer Financial Protection and the Securities and Exchange Commission shall, jointly, establish a working group to be known as the “Consumer and Investor Fraud Working Group” (the “Working Group”).

(b) **DUTIES.**—The Working Group shall facilitate collaboration between the Bureau of Consumer Financial Protection and the Securities and Exchange Commission on—

(1) providing resources to consumers and investors to avoid fraud during the COVID-19 pandemic;

(2) providing resources, including information on the availability of legal aid resources, to consumers and investors who have been adversely impacted by such fraud; and

(3) such other topics as the Working Group determines appropriate.

(c) **COORDINATION WITH OTHER AGENCIES.**—In carrying out the duties described under subsection (b), the Working Group shall coordinate and collaborate with other Federal and State government agencies, as appropriate.

(d) **QUARTERLY REPORT.**—The Working Group shall issue a quarterly report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the progress of the Working Group and summarizing—

(1) the resources made publicly available to consumers by the Working Group;

(2) any public enforcement action taken jointly or individually by any member of the Working Group;

(3) the number and description of consumer complaints received by the Bureau of Consumer Financial Protection and the Securities and Exchange Commission regarding fraud related to the COVID-19 pandemic; and

(4) any other actions of the Working Group.

(e) **SUNSET.**—This section shall cease to have any force or effect on and after December 31, 2022.

SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory

Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. CLEAVER) and the gentleman from Arkansas (Mr. HILL) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

GENERAL LEAVE

Mr. CLEAVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLEAVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank Representative AXNE for her leadership on H.R. 2959, the COVID-19 Fraud Prevention Act.

This bill would create a joint Consumer Financial Protection Bureau and the Securities and Exchange Commission fraud working group to better protect consumers and investors against fraudulent schemes during and after the COVID-19 pandemic.

In the wake of the pandemic outbreak in the United States last year, millions of American families lost work and struggled to keep food on the table, pay their bills, and a roof over their heads. As early as April 2020, the Bureau of Labor Statistics reported that more than 20 million workers had lost their jobs.

As consumers across the country struggled with their finances and to stay protected against infection, predatory scammers and unscrupulous actors have profited from consumers’ concerns and anxiety.

Scams targeting consumers’ economic stimulus payments and unemployment benefits have delayed or prevented consumers from receiving the resources that they desperately need.

At the Subcommittee on Consumer Protection and Financial Institutions hearing held in March entitled “Slipping Through the Cracks: Policy Options to Help America’s Consumers During the Pandemic,” Carla Sanchez-Adams, managing attorney with the Texas RioGrande Legal Aid, shared the story of a client she called Ms. Y, who lost her job because of the pandemic, fell ill from COVID-19, and became a victim of fraud.

Ms. Sánchez-Adams said: “Ms. Y qualified for unemployment benefits through the Texas Workforce Commission. Ms. Y does not have a bank account, so her only option to receive her unemployment benefits was to have the funds deposited on a prepaid card

...” The Texas Workforce Commission “disbursed \$6,000 in unemployment benefits through the” card. “Soon after receiving her card, Ms. Y got COVID-19 and had to be hospitalized. When she was released, she tried to access the funds ... and discovered there was” not one single penny left. “When she called ... to inquire about the problem, she was told that someone had called, requested a new card be issued to an address in Michigan, and that someone in Michigan had used all the funds.”

Ms. Y is, unfortunately, not alone in experiencing this kind of shameless profiteering during a national crisis. Representative AXNE’s bill would help ensure that consumers who have been impacted by fraud can report it and have access to legal resources to combat it. It would also provide coordination between the CFPB and the SEC to combat these fraudulent schemes.

Mr. Speaker, for these reasons, I urge my colleagues to support this bill, and I reserve the balance of my time.

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Mr. HILL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I thank the gentleman from Iowa for reintroducing this bill. There is no doubt that fraudsters and other bad actors have been out taking advantage of consumers during the pandemic because they are out taking advantage of consumers every day anyway. Moreover, many of them are disproportionately targeting seniors.

The Federal Trade Commission, looking over the pandemic, has some 436,000 reports of fraud amounting to some almost \$400 million. The Securities and Exchange Commission has stopped 49 companies from trading, suspended for concerns over misleading information. The Consumer Financial Protection Bureau, the CFPB, has gotten almost half a million complaints.

So this effort among the regulators that Mrs. AXNE is proposing in H.R. 2959 establishes the Consumer and Investor Fraud Working Group. This working group includes representatives from the CFPB, the SEC, and is established to help coordinate and share information across the Federal Government.

The working group will focus on providing resources to consumers and investors and help them avoid falling victim to the fraudulent schemes and scams that have occurred during the COVID-19 pandemic and after.

In addition, the working group will produce a quarterly report to the House Financial Services Committee and the Senate Banking Committee. This will allow Congress to monitor its actions and resources as it is made public.

I urge my colleagues to support this bill. I reserve the balance of my time.

Mr. CLEAVER. Madam Speaker, I have no further speakers and am prepared to close. I reserve the balance of my time until Mr. HILL yields back.